



FY 2007-2008
Adopted Annual Budget

City of Rocky Mount

Mayor

Frederick E. Turnage

Mayor Pro Tem

Chris Miller

City Council

Andre Knight

Reuben C. Blackwell, IV

L. Lamont Wiggins

Lois Watkins

David W. Combs

W. B. Bullock

City Manager

Stephen W. Raper

Assistant City Managers

Peter F. Varney

Charles Penny

Table of Contents

Introduction

Reader's Guide	iii
Community Profile	v
GFOA Budget Presentation Award	xiii

Budget in Brief

Budget Letter	xv
Proposed-to-Adopted Comparison	xxv
Fund Summary	1
Comparison of Expenditures	2
Comparison of Revenues	3
Analysis of Selected Funds and Fund Balance	4
General Fund Summary	5
General Fund Comparison of Expenditures	6
Positions by Department	7

Overview

Budget Development	9
Financial Policies and Strategies	12
Fund Structure	15
Budget Document	17
Review of Selected Revenues	19
Revenues by Type	23
Expenditures by Department	29
Utilities Strategic Plan	33
Focus Areas and Action Plans	34
CIP Summary	39
Grant Positions	58
Organization Chart	59

General Fund

Mayor & Council	61
City Clerk	65
City Manager	71
Human Resources	85
Human Relations	91
Finance	97
Police	129
Fire	151
Public Works	169
Engineering	197
Parks & Recreation	211
Planning & Development	263

Table of Contents

Utility Funds

Public Utilities	277
Public Utilities Capital Projects	309
Water Resources	315
Water Resources Capital Projects	345
Stormwater	351
Stormwater Capital Projects	362

Other Funds

Powell Bill Fund	365
General Capital Projects	369
Debt Service Fund	375
Emergency Telephone Fund	379
Canteen/Scholarship Fund	381
Glossary	383
Adopted Budget Ordinance	389

Reader's Guide

This document contains the City of Rocky Mount's Recommended Budget for Fiscal Year 2007-2008. This budget serves two purposes. First, it presents a clear picture of the services that the City provides and of the policy alternatives that are available. Second, it provides a financial and operating plan that conforms to the City's accounting system. This **Reader's Guide** has been added to make this document easier to read and understand.

Document Organization

The City's annual budget book is divided into the following sections: Budget-in-Brief, Budget Overview, General Fund, Utility Funds, Capital Budget, Other Funds and Appendix.

The **Budget-in-Brief** includes the City Manager's Budget Message. This letter provides an overview of the budget and the recommendations contained therein. This letter provides an excellent summary of the budget and will assist the reader with an understanding of many of the key budget issues. This section, also, includes summaries of fund totals, comparisons of revenues and expenditures and a summary of the city personnel.

The **Budget Overview** includes information helpful to understanding the City of Rocky Mount's Budget Development process, organization chart, financial policies and strategies, fund structure and a review of Selected Revenues and Expenditures.

The remainder of the budget is organized by fund, an accounting term which simply means a balanced set of revenues and expenditures. For each fund, three years of financial information is included: actual figures from FY 2005-06, revised budget and projected figures from FY 2006-07 and the FY 2007-08 Proposed Budget.

The **General Fund** section covers the City basic services such as police, fire, recreation and public works, which are supported by property tax and other general purpose revenues. Each department is shown separately and each section includes a department overview with an organization chart, performance indicators, and summaries of expenditures and employees. Following each department summary is a division summary, which includes a division description, accomplishments, and new initiatives for the new year, a detailed budget and summary information including capital outlay.

The next section contains the City's **Enterprise Funds**. An enterprise fund is a fund established to account for operations that are financed and operated in a manner similar to private business enterprises. Expenditures in these funds are financed primarily through user fees. The Enterprise Fund section includes the Electric, Gas, Water, Sewer, and Stormwater Funds. These funds are organized similarly to the General Fund with department overviews and more detailed information at the division level. The Capital Budget for each utility is included in its respective department.

Reader's Guide

The **Other Funds** section includes the following smaller funds: Powell Bill, General Capital, Debt Service Fund, E-911 Fund and Canteen Fund.

The **Appendix** contains supplemental information including statistical information about the City, glossary and the Budget Ordinance. The Ordinance constitutes the legal limit of spending for the various funds of the City.

The city invites comment from the reader on aspects of this budget document that warrant improvement and continued refinement. Inquiries, comments, or requests should be directed to:

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Community Profile

History

The settlement of Rocky Mount and its surrounding area began near a Tar River waterfall in what is now the northeastern part of the city. Today those same falls, along with the rocky mound near the fall that gave the city its name, still provide a scenic beauty and historical flavor that attracts visitors from all over the state year after year.

Before the colonists arrived, the rocky mound was a popular hunting ground for the Tuscorora Indians who called the region home as well as other Native Americans who visited from all parts of an area spanning Pennsylvania to Florida. Europeans settled the region quickly between 1734 and 1777, but the first official reference to the name “Rocky Mount” did not appear until 1816 with the establishment of the Post Office near the falls.



View of Rocky Mount Mills from the Tar River

Two years later the state's second cotton mill was constructed drawing its power from the falls and sparking even more growth in the area. This establishment of Rocky Mount Mills was instrumental in enticing the railroad through the village. In March 1840 the trains began to roll through the still present downtown depot. The population reached 300 by 1867 leading to the village's incorporation into a town in February of that year. Then on February 28, 1907, as a result of strong growth in the Rocky Mount tobacco market since the late 1800's, the population topped 7,500 and the town was incorporated into a city. The City enjoyed constant growth over the next twenty years. Then came the challenge of recovering from the Great Depression that made its mark locally in the early thirties. With patient investment in city infrastructure including a new water plant, two new schools, an airport, a city park, and the aggressive pursuit and attainment of a private four year college over the next two decades, Rocky Mount poised itself for economic recovery. The loss of the railroad in 1950 seemed a devastating blow, but the City's economy began to diversify. The original economic catalysts of cotton mills, railroads, and agriculture turned to larger scale textiles and a varied array of manufacturing establishments that would bring back days of expansion not seen since the early 1900's and take the City into the present.

Community Profile

Economy

Rocky Mount's commercial activity historically centered on the textile and agricultural industries. These established industries continue to contribute to the City's economy while solid growth has taken over in newer technologically advanced commercial areas. Hardee's Food Systems began in Rocky Mount in 1962. Abbot Laboratories (Hospira) and Black and Decker Manufacturing Company opened plants in 1968 and 1970 respectively. AlliedSignal Aerospace Company (Honeywell International, Inc.), Consolidated Diesel Company, and Sara Lee Bakery Company all opened up shop in the 1980's. With a decline in manufacturing jobs in the US, these companies have undergone changes; however, they continue to solidify the Rocky Mount economy while the City constantly keeps economic development and diversification as the highest of priorities.

A growing population, quality educational and training institutions, and an excellent location for commerce all stimulate the diverse economic activity of Rocky Mount. The City presently occupies approximately 37 square miles, straddling the border between Nash and Edgecombe counties, and has a population just over 56,000 making it the fifteenth largest city in North Carolina. Between the 1980 census and the 1990 census Rocky Mount had an 18.7 percent increase in population. Nash and Edgecombe Community Colleges have met the educational needs of the population for the last 25 years by offering courses and providing training in many fields that produce a skilled workforce. North Carolina Wesleyan College, a private liberal arts institution, was founded in 1956 and continues to offer courses and programs to non-traditional students in the area through an Adult Degree Program while also educating its 1600 full-time students from all over the Nation. The location of Rocky Mount provides area companies and firms convenient access to major highways and primary modes of transportation. Situated where Interstate-95, the main north/south thoroughfare on the East Coast, meets U.S.64, Rocky Mount is in the heart of the Eastern Seaboard. Located halfway between New York and Florida, Rocky Mount is also within close driving distance of the Research Triangle Park and the capital cities of North Carolina and Virginia. Easy access to U.S. 264, U.S. 301, and Interstates 40 and 85 put Rocky Mount in very close proximity to an excellent overland transportation system. The Rocky Mount - Wilson airport services the area locally with the Raleigh - Durham International Airport 80 miles west. CSX Transportation, Norfolk-Southern Railroad, and Amtrak all provide rail transportation through Rocky Mount. Three major ports including Wilmington, Morehead City, and Hampton Roads, VA are also in close proximity.

Community Profile



Rocky Mount City Hall

City Government

The Council-Manager form of government has been in place in Rocky Mount since 1927. The Council is the legislative body of City government and includes a Mayor who serves as presiding officer and seven Council members that represent seven wards. The Mayor is the only representative elected by the citizens at-large while each Council member is elected from his or her respective ward. The Mayor and all Council members serve four year terms.

The City of Rocky Mount offers a full range of services. Rocky Mount has been a public power community since 1902. It also owns and maintains its own gas distribution system and water and sewer system. Because Rocky Mount is a public power community, it allows citizens to enjoy an ad valorem tax rate that is one of the lowest in the state for cities with populations of greater than 35,000.

Community Profile

Date incorporated as a town	1867
Date incorporated as a city	1907
Form of government	Council-Manager
Miles of street	268
Number of street lights	6,957
Population	56,290
Fire protection:	
Number of stations	7
Police protection:	
Number of stations	1
Number of patrol units	58
Recreation and culture:	
Number of parks	41
Total park acreage	499
Number of swimming pools	2
Number of tennis courts	37
Number of recreation centers	2
City electric:	
Miles of distribution line	687
City gas:	
Miles of distribution line	474
City water:	
Miles of water mains	360
Maximum daily capacity	26 million gallons
Average daily consumption	11.3 million gallons
Peak daily consumption	16.4 million gallons
Storage capacity	11 million gallons
City sewer:	
Maximum treatment capacity	21 million gallons
Average daily treatment	10.2 million gallons

Community Profile

City stormwater:

Miles of system maintained

Public transportation:

Annual passenger trips	308,953
Number of revenue routes	9
Number of revenue buses	9
Annual paratransit trips	87,444
Annual rural service trips	5,460

Employees (full time equivalent):

General government	641
Enterprises	199

Non-city services:

Number of hospitals	4
Number of hospital beds	969
Number of 2-year colleges	2
Number of 4-year colleges	2

Statistics as of close of 2005-2006 fiscal year.

Source: *Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2006* . City of Rocky Mount, NC.

Community Profile

Community Demographics

Year	Area (Square Miles) (1)	Population (1)	Unemployment Rate (2)	Per Capital Income (3)
2006	37.40	56,290	6.7%	\$ 27,724
2005	37.40	56,309	7.5%	27,116
2004	37.37	56,136	8.5%	26,464
2003	36.82	56,209	9.5%	25,245
2002	36.82	55,998	10.4%	24,628
2001	36.75	56,014	8.1%	24,644
2000	36.36	58,006	6.1%	23,921
1999	35.98	58,970	6.8%	21,604
1998	35.63	57,630	8.0%	22,739
1997	35.60	57,150	8.4%	21,993

(1) Department of Planning and Community Development, City of Rocky Mount

(2) North Carolina Employment Security Commission

(3) Bureau of Economic Analysis, U.S. Department of Commerce

Population Breakdown, 2005

Gender	% of Population	Age Range	% of Population
Male	47.49%	0 to 9 Years	13.8%
Femal	52.51%	10 to 19 Years	14.6%
		20 to 29 Years	12.6%
		30 to 39 Years	12.9%
		40 to 49 Years	15.1%
		50 to 59 Years	13.4%
		60 to 74 Years	11.6%
		75+ Years	6.0%

Source: Rocky Mount Chamber of Commerce

Educational Attainment, 2005

Level	% of Population
No High School Diploma	25.42%
High School Graduate	49.57%
College Graduate	25.01%

Source: Rocky Mount Chamber of Commerce

Community Profile

Property Value

Year	Real Property (1)	Commercial Property (1)	Personal Property (1)	Public Service Property (1, 2)	Total Value
2006	\$1,363,571,584	\$ 908,534,237	\$ 717,691,001	\$ 78,283,156	\$3,068,079,978
2005	1,339,815,883	891,294,081	747,065,075	85,439,570	3,063,614,609
2004	1,308,480,526	880,361,124	666,871,471	79,876,724	2,935,589,845
2003	1,294,085,777	868,408,686	723,113,694	82,782,644	2,968,390,801
2002 (3)	1,306,806,462	807,232,011	780,688,838	104,441,943	2,999,169,254
2001	1,075,467,006	660,160,168	707,032,050	80,127,554	2,522,786,778
2000	1,071,394,029	656,111,178	738,344,358	86,968,261	2,552,817,826
1999	1,051,316,899	641,779,947	730,553,320	85,749,182	2,509,399,348
1998	1,026,430,441	623,880,112	678,661,745	84,351,365	2,413,323,663
1997	1,001,278,104	604,692,427	646,855,594	101,729,464	2,354,555,589

Source: Finance Department, City of Rocky Mount

(1) Combined valuations for property within city limits in Nash and Edgecombe Counties

(2) Information provided by North Carolina Department of Revenue

(3) Revaluation year

Property Tax Rates

Fiscal Year	City of Rocky Mount (1)	Overlapping Rates		Total Tax Rate	
		Nash County	Edgecombe County (2)	Nash County	Edgecombe County
2007	0.55	0.66	0.93	1.21	1.48
2006	0.50	0.66	0.93	1.16	1.43
2005	0.50	0.66	0.93	1.16	1.43
2004	0.50	0.66	0.91	1.16	1.41
2003	0.48	0.66	0.91	1.14	1.39
2002	0.44	0.66	0.87	1.10	1.31
2001	0.46	0.66	0.87	1.12	1.33
2000	0.46	0.66	0.91	1.12	1.37
1999	0.46	0.66	0.91	1.12	1.37
1998	0.46	0.66	0.91	1.12	1.37
1997	0.46	0.61	0.91	1.07	1.37

Source: Finance Department, City of Rocky Mount

(1) Does not include Municipal Service District (Downtown) Rate of \$0.20 in addition to base rate

(2) Includes \$0.03 School Millage in Fiscal Year 1997

Community Profile

Principal Property Tax Payers, 2006

Taxpayer	Type of Business	Taxable Assessed Value	% of Total City Taxable Assessed Value
Hospira, Inc.	Pharmaceuticals	\$ 114,360,106	3.73%
Congentrix	Electrical Energy Producer	54,181,299	1.77%
Carolina Telephone Company	Communications	45,511,983	1.48%
Centura Bank, Inc.	Banking	42,518,597	1.39%
C F N, Inc.	Retail Shopping Center	23,152,659	0.75%
Kaba Ilco Corp.	Key & Security Systems	21,365,243	0.70%
Honeywell International, Inc.	Aircraft	18,907,901	0.62%
Cobb Corners L.P.	Retail Shopping Center	17,320,050	0.56%
Carolina Power & Light	Electrical Energy Provider	12,429,308	0.41%
American Fibers & Yarns Co.	Textiles	11,987,766	0.39%
Total		<u>\$ 361,734,912</u>	<u>11.80%</u>

Source: Finance Department, City of Rocky Mount

GFOA Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Rocky Mount
North Carolina**

For the Fiscal Year Beginning

July 1, 2006

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Rocky Mount, North Carolina, for its annual budget for the fiscal year beginning July 1, 2006. In order to receive this award, a governmental unit must publish a budget documents that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications guide.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

